

City of Centralia Budget & Annual Activity Report

Under the Revised Statutes of the State of Missouri Section 67.010, municipalities are required to adopt an annual budget which must be balanced; which means that expenditures cannot exceed revenues and unencumbered balances. However, the budget process is much more than just legal necessity. Adopting the budget is the most important planning tool the City employs on an annual basis. It is the only time that all of the activities of the City are reviewed at one time by the Board of Alderman and the City Staff.

When the budget is presented to the Board of Aldermen, it is balanced, meaning there are sufficient resources between expected revenues and available unreserved fund balances in each of the funds. The City maintains several funds that are financially independent operations. The traditional governmental activities are found in the General Fund and include the Fire, Police, Street and General Government. Each of the four utilities, Water, Sewer (or Wastewater), Electric and Sanitation (Solid Waste). The city manages the special revenue funds for the Park Department, the Library, the Cemetery, the Transportation Sales Tax Fund, and the Public Safety Sales Tax Fund. A healthy reserve of over 16% is available to each fund as a two-month emergency reserve.